



Memorandum

To: PLANNING COMMISSION

Date: MAY 9, 2006

From: COMMUNITY DEVELOPMENT DEPARTMENT

Subject: STATUS OF FISCAL YEAR 2004/05 GENERAL PLAN IMPLEMENTATION

REQUEST: Review Status of General Plan Implementation.

RECOMMENDATION: Report to the City Council that satisfactory progress is being made toward General Plan Implementation.

BACKGROUND:

Action 1.3 of the City's General Plan in the Community Development Element requires the City to review progress in meeting General Plan goals and policies for each Fiscal Year. In addition, California Government Code section 65400 requires each planning agency to provide an annual report to the City Council and to the State of California Office of Planning and Research and the Department of Housing and Community Development (HCD) regarding the progress of the status of the plan and progress in its implementation. In 2002 the Housing Element was updated and submitted to the State of California for review. The State provided recommended changes in order to bring the Element into compliance. In 2004, the Residential Development Control System was amended and extended by the voters under Measure C to enable the City to meet our regional housing needs allotment. Community Development staff continues to work on incorporating the State HCD recommendations into the Element.

GENERAL PLAN IMPLEMENTATION

Community Development Element

The Community Development element of the General Plan includes the required land use element. The Community Development element discusses land use, community character and public facilities. Included are goals and policies intended to ensure that Morgan Hill retains its rural atmosphere while accommodating sensible, orderly growth that will promote the local economy and fit within the City's ability to provide adequate public services.

Land Use

The land use element contains policies regarding density, general distribution of land uses, including housing, business, industry, open space and public facilities within the City's Sphere of Influence. A land use map is included as part of the land use element.

The General Plan update in 2001 included a study of the available land to meet the future demand for commercial, industrial, residential, open space and public facilities within Morgan Hill's sphere of influence. The study concluded there is enough land available through 2041 to meet the need of Morgan Hill.

Land Use Amendments

During the 2004-2005 Fiscal Year and calendar year 2005, the City approved the seven General Plan Amendments listed below:

1. General Plan Amendment 04-06-General Plan Text Amendment, adopted July 21, 2004. This action amended the General Plan text in order to bring the text into conformance with language in the voter approved Measure C initiative.
2. General Plan Amendment 04-07-Downtown Plan-Sunsweet Property, adopted August 3, 2004. This action occurred on 3.5 acres known as the "Sunsweet Property", between 3rd and 4th Streets, west of Monterey Highway amending residential density on the site to increase from 8-18 dwelling units per acre to 25-40 dwelling units per acre.
3. General Plan Amendment 04-08-Tennant-Huang, adopted January 19, 2005. This action occurred along the northwest corner of Tennant Avenue and Caputo Drive amending 1.45 acres from Industrial to Non-Retail Commercial land use designation.
4. General Plan Amendment 04-09-Monterey-Alcini adopted October 5, 2004. This action occurred along Monterey Road and Church Street from East Dunne Avenue South to Bisceglia Avenue amending twenty seven parcels totaling 9.78-acres from Commercial to a Mixed Use land designation.
5. General Plan Amendment 04-10-East Dunne-Basanty adopted October 5, 2005. This action occurred along the southeast corner of East Dunne Avenue and Church Street amending two parcels totaling .347 acres from Industrial to a Mixed Use land designation.
6. General Plan Amendment 04-12-Cochrane-City of Morgan Hill adopted November 16, 2005. This action amended the General Plan Map and Circulation Plan of the Morgan Hill General Plan to relocate a future collector street north of Cochrane Road from DePaul Drive to Mission View Drive.

7. General Plan Amendment 05-03-Condit-Kubo/Patel adopted October 5, 2005. This action occurred along the southwest corner of Condit Road and Diana Avenue adjacent to the East Side of Highway 101 amending 19.87 acres from Industrial to a Commercial land use designation

Land Development

In FY04/05 land development in the past year absorbed approximately 62.5 acres of vacant land. The pace of development has slowed over the past few years as compared to the booming economy of the late 1990's.

Commercial

In FY 2004-2005, approximately 2.5 vacant commercial lands developed. The General Plan Background Report estimated that between 2.3-4.4 acres per year would be need between the years 2000-2010. There are currently approximately 243 acres of vacant commercial land. There are now about 219 acres of commercial vacant land in the land use diagram.

Industrial

In FY 2004-2005, approximately 2 acres of vacant industrial land developed. Much of the development occurred along Butterfield Boulevard. The General Plan Background Report estimated that between 7.8-17.8 acres of industrial land per year would be need between the years 2000-2010. Industrial development has slowed as compared to the late 1990's and 2000. There are currently approximately 647 acres of vacant industrial land in the land use diagram.

Public Facilities

In FY 2004-2005, approximately 8 acres of vacant land zoned for public facilities were developed for the Indoor Community Recreation Center, scheduled to open in September 2006.

Residential

According to the General Plan, at current construction rates, available residential land in the City and in the Urban Growth Boundary will take more than 30 years to develop.

During FY 2004-2005, approximately 58 acres of residential land developed. This includes land with completed units and land with units under construction. 260 building permits for dwelling units were issued during the FY 2004-2005.

In March 2004 a Special Municipal Election was held in which the voters approved a Measure C to amend and extend the General Plan and Municipal Code to update Measure P, the City's Residential Development Control System (RDSCS). Measure C extends the RDSCS to 2020 and establishes a

population ceiling of 48,000 for the year 2020. In FY04/05 a Measure C competition was held in which allocations for 386 units were awarded.

Goal and Action Item Update

The following is a brief description of individual goals and action items listed in the General Plan, which experienced notable activity during FY2004-2005.

Goal 8 (Page 31) calls for distinct well-designed residential neighborhoods. The Community Development Director, Planning Manager and Senior Planner are currently working to prepare a draft of an architectural handbook to ensure compliance with this goal. It is anticipated the draft will be completed in FY05-06.

Goal 9 (Page 32) calls for sufficient and concentrated commercial use. The City Council approved a commercial development known as the DiNapoli Project located on east side of 101 and Cochrane Road. This project was approved to accommodate a grocery store, but the project will include a multiplex cinema instead. A grocery store could be located in Cochrane plaza on the west side of 101, but requires voter approval. The City Council has placed a ballot measure on the June 2006 ballot for the voters to approve removal of the grocery store restriction.

Goal 11 (Page 35) calls for adequate land for industrial development. The Planning Division is preparing a Request for Proposal for an industrial land market analysis to be issued in May 2006.

Goal 12 (Page 36) calls for a visually attractive urban environment. The City Council expanded the scope of the Library Commission to include art and culture. The newly expanded Library, Culture and Arts Commission is working to develop policies and guidelines regarding public art.

Goal 13 (Page 38) calls for a vibrant and identifiable downtown. The Downtown Plan is currently being implemented and the City's Business Assistance and Housing Services Department administers the façade improvement program for the downtown area.

Goal 16 (Page 41) calls for an urban level of services and facilities and requires that all City projects go through the same development review projects as private projects. Two City projects that have complied with this requirement are the Indoor Recreation Center and the new Morgan Hill Library. The anticipated completion date for the Indoor Recreation Center is September 2006 and the anticipated completion date for the Library is April 2007.

Goal 18 (Page 43) calls for useful, accessible and high-quality park, recreation and trail facilities and programs. Action Item 18.1 calls for acquisition of appropriate park land. Currently, the City plans to annex 1.33 acres to Jackson Park.

Action Item 18.3 calls for working in partnership with MHUSD to identify potential locations for future parks adjacent to future schools. A new park site has been identified on Peet Road. The City plans to acquire a 3 acre parcel adjacent to the residential development known as Alicante and adjacent to a 10 acre future school site located at the intersection of Mission Avenida and Peet Road,

south of Cochrane.

Action Item 18.5 calls for working in partnership with Santa Clara Valley Water District to establish easements and develop trails along creeks and ways. In July 2005 the City Council adopted a policy for land use near streams and waterways, including stream/habitat protection measures. The policy states new development adjacent to streams and waterways shall be designed to preserve and integrate the waterways and associated habitats.

Action Item 18.6 calls for working in partnership with Santa Clara County Parks and Recreation Department to enhance appropriate community use of county and city parks. The County is currently updating the Coyote Creek Master Plan. City staff has been providing comment to County staff as the update progresses.

Action Item 18.14 calls for consistent and reliable funding source for long-term operations and maintenance. Service levels for parks maintenance and operations will be reevaluated upon completion of the Community Conversation sponsored by the City of Morgan Hill.

Action Item 18.17 calls for consideration of restrooms at parks based on guidelines established in the Parks, Facilities and Recreation Programming Master Plan. New low maintenance restrooms are replacing the old ones at Galvan and Community Parks.

Action Item 18.22 calls for measurable maintenance standards for parks and recreation facilities to encourage a consistent and high level of maintenance. These standards were implemented in 2005.

Goal 19 Action Item 19.8 (Page 51) calls for coordinated urban and school development. The City has identified a new 3 acre park site located on Peet Road, adjacent to the residential development known as Alicante and a 10 acre future school site located at Peet Road and Mission Avenida, south of Cochrane Avenue.

Goal 21 (Page 52) calls for efficient waste water treatment. The City has recently initiated a number of water conservation programs including a new water-efficient design ordinance, mandatory sub-metering for multifamily dwellings and a turf replacement rebate program. Water conservation public education materials are shared at major community events and festivals. Furthermore, the South County Regional Wastewater Authority Recycled Water Master Plan was completed in 2005.

Economic Development Element

The Economic Development Element seeks to diversify the local economy with broad range of retail and service amenities, increase job opportunities for local residents, decrease the need to commute, and expand the City's job base.

Goal and Action Item Update

The following is a brief description of individual goals and action items listed in the General Plan, which experienced notable activity during FY2004-2005.

Goal 1 (Page 58) calls for strong stable and diverse economic base. The Community Development Department added a Senior Planner position to work primarily with the Downtown Merchants Association and the Chamber of Commerce to facilitate development of the downtown area.

Goal 2 (Page 58) Jobs/Housing Balance

General Plan policy 2d (page 58) states that the City should aim to reach equilibrium between the supply of jobs and employed residents in the City. The following table shows the job/housing balance from 2005-2030 according to the Association of Bay Area Governments (ABAG). ABAG projects that between 2005-2030 the job/housing balance will increase and projects the City will add more jobs than employed residents. Between 2005-2030, ABAG forecasts that the job/housing balance for the City will improve, and exceed equilibrium in 2020. ABAG projects that Morgan Hill will experience a 26% job rate growth in the first half of the forecast (2005-2015). This will be the second highest job rate growth in the County after Gilroy at 46%. See table below:

| Year | Jobs | Employed Residents | Job Deficit | Ratio |
|------|--------|--------------------|-------------|-------|
| 2005 | 14,520 | 16,620 | -2,100 | 0.87 |
| 2010 | 16,490 | 18,870 | -2,380 | 0.87 |
| 2015 | 19,170 | 20,160 | -990 | 0.95 |
| 2020 | 21,760 | 21,490 | 270 | 1.01 |
| 2025 | 24,330 | 22,580 | 1,750 | 1.08 |
| 2030 | 27,570 | 23,140 | 4,430 | 1.19 |

Source: ABAG Projections 2005 for Sphere of Influence

Measure C Allocations

The Measure C was approved by the voters in a special election in March 2004. In February and March 2005, the Measure C competition awarded a total of 386 units to be built in fiscal years 2006-2007, 2007-2008, and 2008-2009. Please see table below:

| FY04-05 Measure C Awards | |
|--------------------------|------------------|
| 2006-2007 | 169 units |
| 2007-2008 | 95 units |
| 2008-2009 | 122 units |
| Total | 386 units |

Population Growth

The City population increased from 33,556 in 2000 to 36,423 in 2005 representing an increase of 7% over the last five years, or an increase of 2,867 persons. Measure C caps the population at 48,000 people in the year 2020. Thus, the City could only add approximately 770 people a year until January 1, 2020. Please see table below:

| Growth Between 2005-2020 (Assumes Average of 770 Persons per Year) | | |
|--|------------|-------------------|
| Year | Population | Percentage Growth |
| 2005 | 36,400 | 2.00% |
| 2006 | 37,172 | 2.12% |
| 2007 | 37,944 | 2.12% |
| 2008 | 38,716 | 2.12% |
| 2009 | 39,488 | 2.12% |
| 2010 | 40,260 | 2.12% |
| 2011 | 41,032 | 2.12% |
| 2012 | 41,807 | 2.13% |
| 2013 | 42,579 | 2.12% |
| 2014 | 43,366 | 2.16% |
| 2015 | 44,138 | 2.12% |
| 2016 | 44,910 | 2.12% |
| 2017 | 45,684 | 2.13% |
| 2018 | 46,456 | 2.12% |
| 2019 | 47,228 | 2.12% |
| 2020 | 48,000 | 2.12% |

Goal 2 (Page 60) calls for additional, adequate job opportunities for local residents. City staff is working to minimize the impacts of Coyote Valley development on South County jobs/housing balance. A representative regularly attends the Coyote Valley Specific Plan meetings.

Goal 3 (Page 61) calls for a viable tourist industry. The City has entered into a contract with the Chamber of Commerce to promote Morgan Hill as a tourist destination. The City has also joined a group to promote tourism on the central coast.

Circulation Element

The Circulation Element offers mechanisms for making Morgan Hill a safe and efficient place to travel. It contains goals, policies and actions aimed at making the existing road network more efficient and user-friendly, solving existing traffic and parking problems, and expanding transit and non-motorized travel opportunities.

In FY04-05 almost all intersections in the City operated at Level of Service (LOS) “D” approaching unstable flow, tolerable delays, or better. The planned City circulation system is designed to operate at LOS D+, except at intersections where achieving LOS D+ at General Plan buildout would require extraordinary development expenditure and right-of-way acquisition.

Goal and Action Item Update

The following is a brief description of individual goals and action items listed in the General Plan, which experienced notable activity during FY2004-2005:

Goal 1 (Page 69) calls for a balanced, safe and efficient circulation system for all segments of the community. In accordance with the City's Capital Improvement Program, (CIP) the City is currently working on a Plan Line Study of Santa Teresa and Butterfield Boulevard which is scheduled to be completed by July 2006. Other CIP projects the City is currently working on within the circulation element include reconstruction of Depot Street, scheduled for completion in July 2007; Tennant Avenue widening, scheduled for completion by December 2006; Downtown traffic calming included the installation of speed cushions on Monterey Road and modification of the traffic signal at Monterey Road and Main Avenue, scheduled to be completed in FY05/06; safety improvements to enhance safety of the Tilton Avenue and Monterey Road intersection, scheduled to be completed in FY05/06.

Goal 2 (Page 69) calls for coordinated transportation planning efforts with local, regional, State and Federal agencies. The City is currently working with CalTrans to complete a PSR/PR document in preparation for an application for grant funds for improvements at the Tennant and 101 interchange.

Goal 3 (Page 70) calls for a coordinated, continuous network of streets and roads. The City adopted development guidelines for preparation of the transportation impact of new developments. In 2005, the City Council approved an amendment to the General Plan map and circulation plan to relocate the future collector street north of Cochrane Road from DePaul Drive to Mission View Drive.

Goal 3 Action 3.5 (Page 73) calls for maintenance, regular review and update as necessary, the system of fees and assessments to cover the cumulative impacts of new development and land acquisition and construction cost changes on the overall road system. During FY04/05 the system was maintained and fees were collected. For cost recovery purposes, fees were increased effective July 2005 and the cost of living fees were also increased in January 2005 based upon previous City Council approval.

Goal 6 (page 76) calls for a safe and efficient transit system that reduces congestion by providing viable non-automobile modes of transportation. There are four VTA bus routes and a rail line operated by Caltrain that serve the City. Caltrain operates from Gilroy to the south, to San Jose, Silicon Valley, and San Francisco to the north. Caltrain currently operates 3 weekday morning northbound trains and three evening southbound trains. This is a reduction from 4 trains in both directions in 2002. Caltrain is currently working on a \$30 million double tracking project from South San Jose to Gilroy, which will allow train service to expand from 6 trains a day to 12. Anticipated completion of this project is summer 2006. The Valley Transportation Authority, which operates bus lines in the County, is working with the City of Morgan Hill to consider implementation of a community bus service. The community bus operates smaller shuttle style buses, which can provide greater flexibility and convenient and frequent access to local destinations. Rides are free to all passengers

Goal 7 (Page 76) calls for a usable and comprehensive bikeway system. The City completed the linear trail and bikeway along the Butterfield Linear Park. The City received grants for implementation of the following projects: 1) Signing and Striping for Class II bike land; 2) Bicycle Sensitive Loop Detectors; 3) Main Avenue Crossing Improvements; 4) Monterey Undercrossing Improvements. Projects currently underway include the Trails Master Plan, Coyote Creek Trail Connection, Wildlife Trail and portion of West Little Llagas Creek Trail, between La Crosse and Watsonville.

Goal 8 (Page 81) calls for expanded pedestrian opportunities. In 2004, the City received a grant from the Metropolitan Transportation Commission for capital improvements on Depot Street in order to create an aesthetically pleasing pedestrian and bicycle friendly environment that will encourage trips to and from downtown to the Caltrain station.

Open Space and Conservation Element

The Open Space/Conservation Element sets goals and policies that protect open space areas for natural resources, outdoor recreation, public health and safety, and agricultural activities. In addition, it also addresses the conservation and use of natural and cultural resources, including wetlands, forests, rivers, archeological remnants and historic structures.

Currently, there are approximately 1,367 acres of open space within the city limits. The General Plan states that land designated as open space in 1990, shall remain as open space through 2010. There are approximately 292 acres of parkland within the City's Urban Growth Boundary (UGB) with 57 acres designated at City parks. The General Plan calls for a standard of 5 acres of parkland per thousand in population. With the current population of 36,400, that requirement is 182 acres. The acres of parkland within the UGB currently exceed the amount listed in the General Plan although the amount of developed park site is less than this standard.

Goal and Action Item Update

The following is a brief description of individual goals and action items listed in the General Plan, which experienced notable activity during FY2004-2005.

Goal 1 (Page 83) calls for preservation of open space areas and natural features. An Urban Limit Line study was completed in 2004 to establish an Urban Limit Line (ULL). The purpose of an Urban Limit Line study is to encourage more efficient growth patterns, minimize public costs and protect environmental resources. As a result of this study; the ULL was established and adopted in April 2006 except for area known as the Southeast Quadrant (SEQ) - 1,250 acres of farmland adjacent to San Martin. An industrial land market analysis currently being conducted to evaluate the potential for an industrial park with the SEQ.

Goal 1 - Action 1.4 (Page 84) calls for pursuit of further coordinated action with Gilroy and Santa Clara County. The Coyote Lake-Harvey Bear Ranch County Park opened in FY04/05. This 4,595-acre park is part of the Santa Clara County Parks System. The northern portion of this park is located within the City's Sphere of Influence.

Action 1.5 (Page 84) calls for continuation of City programs to implement portions of trail systems and streamside park chains within their boundaries. In July 2005 the City Council adopted a policy for land use near streams and waterways, including stream/habitat protection measures. The policy states new development adjacent to streams and waterways shall be designed to preserve and integrate the waterways and associated habitats. In February 2007, the City Council will adopt regulations for land uses near streams.

Goal 2 (Page 85) calls for working with the County and San Jose to develop a plan for a greenbelt along the expected edge of the urbanized area. The City adopted the Urban Limit Line/Greenbelt study in April 2006, which represents the ultimate limits of City growth. The purpose of an Urban Limit Line/Green Belt Study is to encourage more efficient growth patterns, minimize public costs and protect environmental resources. The City is currently working with the City of San Jose on the South Coyote Valley green belt.

Goal 3 (Page 86) calls for viable agricultural industry. The City's Right to Farm Ordinance through which buyers of real estate within the City limits must be informed of the accepted customs and practices or agricultural/farming operations and the effects this may have upon nearby residences.

Goal 6 (Page 90) calls for protection of native plants and animals. Action 6.1 calls for development of design programs for the preservation and reclamation of degraded riparian areas. Santa Clara County's Coyote Creek Master Plan addresses repair of the riverbed formerly used a quarry located north of Ogier Road and south of Riverside Drive.

Action 6.4 (Page 90) calls for use of a land modification matrix to evaluate all land modification and environmental impacts on wildlife. This is achieved as part of an on-going evaluation of the environmental impact on wildlife as part of the CEQA process.

Goal 8 (Page 92) of the element calls for the Preservation of the City's historic identity. The Planning Division is currently preparing a Historical Context Statement. Once completed, a Request for Proposals to define the scope of the Historical Inventory will be issued before the end of FY05-06. The City has also adopted a mitigation measure, which requires historical evaluation of any building over 45 years old prior project approval.

Overall, the Open Space and Conservation element identifies eight goals related to including preserving open space and natural features; creating a stable greenbelt; maintaining a viable agricultural industry; preserving hillside areas as open space; preserving and reclamation of streams and riparian areas as open space; protecting native plants and animals; conserving natural resources; and preserving the City's historic identity. The City has addressed these items through a mix of open space fees on new development, zoning regulations, environmental impact reviews and joint actions with special district, the County, and South County Cities, and the acquisition of open and hillside land. These programs have resulted in substantial compliance with Open Space/Conservation Element goals and policies.

Public Health and Safety Element

The Public Health and Safety element aims to protect persons from any detrimental impacts associated with development by requiring new construction to avoid hazardous areas and materials and/or provide adequate mitigation. This element also intends to safeguard public health by ensuring adequate water quality, and by minimizing noise impacts.

The City's building division continues to implement the geohazard regulation. The Public Health and Safety Element, which includes the state mandated noise and safety element, was updated in the 2001 General Plan.

Goal and Action Item Update

The following is a brief description of individual goals and action items listed in the General Plan, which experienced notable activity during FY2004-2005.

Goal 4 (Page 99) calls for the least possible damage to persons and property from flooding. Action 4.7 (Page 101) calls for the City to establish an early warning protocol to alert persons within the dam failure inundation zone. The City's office of Emergency Services is preparing to work in partnership with the Santa Clara Valley Water District to develop this protocol.

Regional Coordination

The Regional Coordination element outlines ways for the City of Morgan Hill to participate effectively in planning for growth in the surrounding regions. Close coordination with neighboring and regional agencies is necessary to ensure that future development of adjacent areas is appropriate and occurs in a phased, efficient manner that will help Morgan Hill retain its distinct character.

The regional coordinated goals include:

1. Balanced urban growth in South County;
2. Limited, appropriate urbanization of unincorporated San Martin;
3. Efficient, stable growth of the South County;
4. An effective, productive South County Joint Planning Advisory Committee.

Goal and Action Item Update

The following is a brief description of individual goals and action items listed in the General Plan, which experienced notable activity during FY2004-2005.

Goal 3 (Page 115) calls for effective, stable growth of the South County. Action Item 3.1 calls for joint meetings with the staff of Gilroy, the County, School District and staff of the City of San Jose to determine the impacts of the development of Coyote Valley on the South County and to recommend appropriate responses for each jurisdiction. The City is currently discussing the impacts of Coyote Valley development through South County Stakeholder meetings.

Goal 5 (Page 117) calls for an effective and productive South County Joint Planning Advisory Committee. Much of the policies for this element derive from the South County Joint Area Plan.

The South County Joint Planning Advisory Committee is made up of three jurisdictions: Morgan Hill, Gilroy, and Santa Clara County. This body has agreed to identify common transportation issues and work on them together as well address regional transportation issues through 2030. The three jurisdictions are also working with the Valley Transportation Agency (VTA) on a South County Circulation Study, which will examine how the number of commuters from San Benito, Merced, Santa Cruz and Monterey Counties contribute to the traffic in South County.

An elected official from the City is also appointed to serve on a VTA Policy Advisory Board for South County Highways and Road. This Board also confers with the San Benito Council of Governments, which operates under a Memorandum of Understanding to assist with regional coordination of transportation. This group meets quarterly to address issues that pertain to the greater regional area.

Housing Element

The Housing Element under the California Government Code Section 65583 is a document of the City's goals, policies, quantified objectives and scheduled programs for the preservation, improvement and development of housing. The State of California has provided its findings to the Community Development Department on the draft housing element in order to enable the City to meet the statutory requirements of the State's housing element law. Community Development staff is working to incorporate the State's findings into the housing element. Completion of the draft housing element is anticipated in FY05/06. Staff from the Community Development Department are also working on updating the City's Subdivision Ordinance.

CONCLUSION/RECOMMENDATIONS

The General Plan identifies actions that need to be implemented in order to meet the General Plan's goals. For Fiscal Year 2004-2005, 71 high priority actions were identified. These actions are attached as Table A to this report. The table lists the actions, department responsible for the actions, and the status. Thus far, 32 of the actions are in progress, 33 are completed and 6 are scheduled as part of future work plans.

Overall, the implementation of the City's General Plan is progressing in a satisfactory manner. All elements of the General Plan were updated in 2001 except for the Housing Element and the Regional Coordination element. The Housing Element has been updated, but is currently being reviewed by the state for certification. The attached table lists the high priority General Plan Action items for Fiscal Year 2004-2005. All the action items listed have been completed, are in progress, or will commence soon.

Attachments:

1. Table A-General Plan Implementation Program High Priority Actions

Table A
High Priority Actions
General Plan Implementation Program
FY04-05 Status Report

| GENERAL PLAN ACTION | | Duty | Priority | Status |
|--------------------------------------|---|----------|-------------|---|
| <u>Community Development Element</u> | | | | |
| Actions | | | | |
| 1.1 | Amend City ordinances, programs and plans (e.g., zoning, parking, capital improvements) to conform to amendments or revisions to the policies of the Community Development Element. | CD CA | H | Underway- Anticipated Completion of Zoning Ordinance & Design Review Ordinance Update in FY05-06 |
| 5.3 | Work with Santa Clara County to reach consensual agreement regarding the expansion of the city's urban area and permanent preservation of greenbelts in unincorporated areas surrounding the city. | CD | H GS | Completed - Urban Limit Line Study |
| 7.1 | Expand the Multi-Family Low residential land use designation to allow development of detached units based on design and development criteria intended to limit visual impact (e.g., floor-area ratio, single story, mass of garages, etc.), and limit the number of small-lot detached units in a given project to a small proportion (e.g., less than 25%) of overall units. | CD | H ZO | Currently being implemented |
| 7.3 | The portion of the 65-acre development located between the Union Pacific Railway and Hale Avenue, south of Tilton Avenue which is planned for multi-family development shall be buffered from view from Hale Avenue by a row of single family homes developed on lots of a minimum 9,000 square feet in size. | CD | H | Complete |
| 8.1 | Develop mechanisms to ensure a variety of building configurations in all multi-family areas. | CD | H ZO | Underway - Zoning Ordinance & Design Review Ordinance Update |

| <u>Community Development Element</u> | | | | |
|---|--|----------|---------------------|---|
| | Actions | | | |
| 8.2 | Develop, adopt and enforce design standards for residential neighborhoods, providing for special design themes, signage, and roadway and sidewalk materials, and other methods of strengthening neighborhood identity. | CD CA | H <i>DRO</i> | Underway – Community Development staff preparing Architectural Handbook |
| 9.1 | Provide for a variety of commercial, office and industrial use categories in the Zoning Ordinance. | CD CA | H <i>ZO</i> | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 9.2 | Update the Zoning Ordinance to specify appropriate levels of non-retail development at major intersections and appropriate levels of retail development along Monterey Road between the retail commercial nodes. | CD | H <i>ZO</i> | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 9.4 | Amend the Zoning Ordinance to create acceptable standards by which auto-related uses may be allowed on Monterey Road, between Wright Avenue and Old Monterey Road. | CD | H <i>ZO</i> | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 9.6 | Amend the Zoning Ordinance, as necessary, to preserve a site east of Highway 101 and north of Cochrane Road for a grocery store. | CD CA | H | Completed – Council Approval of Zoning Amendment for Grocery Store. |
| 9.7 | Amend the Zoning Ordinance to prohibit convenience commercial uses in residential neighborhoods. | CD CA | H <i>ZO</i> | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 9.8 | Amend development and building standards as necessary to facilitate commercial re-use of older home, on Monterey Road north of Main Avenue. | CD | H <i>ZO</i> | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 9.9 | Amend the Zoning Ordinance to prohibit auto sales in the Service Commercial designation along northern Monterey Road. | CD CA | H <i>ZO</i> | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 10.1 | Reserve land at the northeast Cochrane and southwest Tennant freeway interchanges for sub-regional retail uses with appropriate designations on the Land Use Map. | CD | H <i>ZO</i> | Complete |

| | <u>Community Development Element</u> | | | |
|------|---|------------|--------------|--|
| | Actions | | | |
| 10.3 | Identify preliminary design criteria and improvements needed for the staged development of a sub-regional commercial center. | CD | H ZO | Completed as Part of DiNapoli Project |
| 10.4 | Prepare a general set of standards, criteria and incentives for potential developers that identifies an appropriate process and schedule for the development of a sub-regional center. | CD BAHS | H ZO | Underway - working with developers from each area |
| 10.5 | Amend the Zoning Ordinance to require ancillary commercial uses, such as fast-food restaurants and service stations, on lands around interchanges to be part of larger developments. | CD CA | H ZO | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 11.6 | Amend the Zoning Ordinance to create acceptable standards by which industrial or office commercial uses may be established on the property located on the east side of Monterey Road south of the Union Pacific train trestle. Such standards shall recognize the significance of this portion of Monterey Road as the northerly entrance to downtown the necessary limitations on use due to its single point of access. | CD CA | H ZO | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 12.1 | Develop, adopt and enforce Design Standards for all commercial, industrial, and residential areas in order to provide a high quality environment and to attract desired types of businesses in specific locations. The design standards should address issues such as setbacks, building design and articulation, landscaping, parking and signage. | CD | H DRO | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 13.2 | Review the downtown commercial land use category and associated zoning categories to ensure that they promote pedestrian-oriented retail uses, including by requiring offices to be located away from Monterey Road or on upper floors along Monterey Road. | CD BAHS | H DP | Complete - Downtown Plan |
| 13.3 | Review the General Plan and Zoning to ensure that there is adequate land available for an appropriate mix of activities downtown. | CD | H DP | Complete - Downtown Plan |

| | <u>Community Development Element</u> | | | |
|------|---|----------------|-----------------|--|
| | Actions | | | |
| 13.4 | Review the proposed Third Street pedestrian mall for possible redesign to increase its attractiveness or usefulness to pedestrians. | CD | H <i>DP</i> | Complete - Downtown Plan; City has received a grant to improve Depot street and encourage trips from Caltrain station to downtown via Third Street |
| 13.6 | In updating the Downtown Design Plan, include an evaluation of parking needs and consider appropriate residential densities and building heights for the downtown. | CD | H <i>DP</i> | Complete - Downtown Plan |
| 13.8 | Review and revise as necessary the budget for maintaining downtown streetscape improvements. | BAHS PW | H | Implementing Downtown Plan, traffic calming and Depot Street improvements |
| 13.9 | Use the Residential Development Control System to foster residential uses above commercial uses. | CD | H <i>ZO</i> | Completed through Measure C |
| 14.1 | Develop and implement designs for public improvements at the key gateways to Morgan Hill including: Madrone area north of Cochrane Road, the Cochrane Road / Monterey Road intersection, Monterey Road south of Watsonville Road, the Caltrain station and freeway interchanges at Cochrane, Dunne and Tennant. | CD BAHS | H <i>DRO</i> | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 14.2 | Develop, adopt and enforce Gateway Design Standards which set forth specific site, landscaping, architectural, and sign design standards for private development at and around the gateways to the community. | CD | H <i>DRO</i> | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 14.3 | Work with CalTrans and Union Pacific to improve the appearance of the railroad overcrossing (a secondary gateway to the city) and land along the railroad. | PW | H | Complete |
| 16.3 | Identify and adopt a set of service standards for major public facilities and services (roads, police, fire, sewer, water, drainage) that identify accepted service standards for development in Morgan Hill. | PW PD CM | L H | Being considered as part Community Conversation |

| | <u>Community Development Element</u> | | | |
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| | Actions | | | |
| 17.1 | Store duplicate records of utility systems in emergency operations centers for continuing operations and repairs of vital services in the event of a disaster. | PW | H | Complete |
| 17.2 | Evaluate the emergency operations center for seismic vulnerability, and modify its design as necessary to assure the continuity of vital services following a damaging earthquake. | CD | H | Complete |
| 17.4 | Ensure that a sufficient supply of appropriately located vacant land is planned and zoned for medical services. | CD | H | Complete |
| 17.5 | Assist in the formation of a healthcare foundation charged with developing and implementing an action plan for attracting physicians and other medical services, and with establishing an acute care hospital in the City. | CM | H | Complete |
| 17.7 | Consider strengthening Fire and Police standards in Chapter 18.78 of the Municipal Code. | PD CM | H | Completed through Measure C |
| 17.8 | Develop and adopt a Public Safety Master Plan that includes three specific elements addressing Fire, Police and Emergency Medical Services to ensure that the City has adequately planned for the construction and maintenance of public safety services. <ul style="list-style-type: none"> The Fire Protection Element of the Public Safety Master Plan shall address the need for, timing and location of future fire stations, methods for providing preferred levels of service, and fire prevention programs. The Police Service Element of the Public Safety Master Plan shall address police staffing levels, performance standards, and the need for and location of additional police facilities. The Emergency Medical Element of the Public Safety Master Plan shall address paramedic response and its relationship to fire protection responders.17.7 | CM PD CM | H H H | Complete - Fire and Emergency Medical Services Master Plan Complete - Fire and Emergency Medical Services Master Plan Complete - Fire and Emergency Medical Services Master Plan |

| | <u>Community Development Element</u> | | | |
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| | Actions | | | |
| 17.9 | Until such time as there is an acute care hospital operating in the City, ensure that there is at least one vacant site of 10 to 15 acres in size which is zoned to allow that use. | CD | H | Complete |
| 17.10 | Amend the Zoning Ordinance, as necessary, to ensure that medical facilities are allowed within industrial zoning districts. | CD CA | H ZO | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 18.9 | Develop business plans for new sports parks and special use facilities that address management structure, potential partnerships, long-term operations and maintenance costs and potential for cost recovery through user fees and other means. | REC BAHS | H | Underway-Council approval of partnership between City and YMCA to operate Indoor Recreation Center |
| 18.13 | Enhance the City's role as a center of information for community recreation programs provided by the City and other recreation providers. | REC | H | Ongoing |
| 18.16 | Incorporate guidelines for the design and development of future HOA parks into the design review process. (These guidelines are included in the Parks, Facilities and Recreation Programming Master Plan.) | CD | H DRO | Underway -Zoning Ordinance & Design Review Ordinance Update |
| 18.19 | Encourage establishment of a non-profit foundation to support parks and recreation facilities and programs. | REC | H | Completed through support of formation of Morgan Hill Community Foundation |
| 18.20 | Establish operations and maintenance cost-recovery goals for various facilities and programs. Establish which types of programs should be self-supporting, and which programs may be partially subsidized by the City. Coordinate user fee schedules with MHUSD so that School District and City facilities have consistent user fees. | REC FIN | H | Complete |
| 18.21 | Enhance scholarship programs to assist with program fees and equipment costs for low-income youth. | REC | H | |

| | <u>Community Development Element</u> | | | |
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| | Actions | | | |
| 20.1 | Update the Sewer Master Plan to reflect changes to the General Plan. | PW | H | Complete |
| 21.1 | Update the Water Master Plan to reflect changes to the General Plan. | PW | H | Complete |
| 21.2 | Review the tiered system for water rates to ensure that it encourages conservation without unduly burdening local residents. | PW | H | Complete |
| 22.1 | Update the Drainage Master Plan to reflect changes to the General Plan. | PW | H | Complete |

| | <u>Economic Development Element</u> | | | |
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| | Actions | | | |
| 1.2 | Provide businesses with financial and non-financial assistance, as appropriate, pursuant to the City's Business Assistance Guidelines. | BAHS | H | Ongoing |
| 1.3 | Develop a biennial strategy that details the City's proactive approach to business attraction and retention that identifies the specific industries toward which efforts will be targeted. | BAHS | H | Complete |
| 1.4 | Develop and maintain business assistance programs, such as development fee deferral, commercial improvement loans and façade grants to facilitate development of targeted areas including downtown, as appropriate. | BAHS | H | Ongoing – City has implemented façade improvement grants, development fee deferral, and commercial improvement loans on a case by case basis |
| 1.8 | Identify appropriate locations and provide incentives for attracting one or more major catalyst tenants (e.g., offices, retail) to the downtown. | BAHS | H | Ongoing |

| <u>Circulation Element</u> | | | | |
|-----------------------------------|---|----------|---------|--|
| Actions | | | | |
| 1.1 | Develop techniques for ensuring that right-of-way is available at appropriate times and locations to accommodate traffic conditions associated with an 8-lane configuration for Highway 101. | CD PW | H | Underway – City working with CalTrans to complete a PSR/PR to prepare for an application for grant funds for improvements at the Tennant and 101 interchange |
| 3.15 | Designate residential properties fronting on Dunne Avenue as Planned Residential Development in order to maximize the potential for improved landscaping and design. | CD | H ZO | Complete |
| 3.18 | In cooperation with the County, determine what traffic facilities are needed south of Tennant Avenue and the Hill Road area. | CD PW | H | Underway – South County Circulation Study |
| 3.21 | Evaluate the feasibility of developing Murphy Avenue as a two lane Arterial or Collector street. The evaluation should assess as two alternatives, the potential of designating Condit Road an Arterial street and reducing land use intensities in the area served by Murphy Avenue and Condit Road. | CD PW | H | Underway – South County Circulation Study |
| 7.3 | Establish a development review checklist for use by City staff to evaluate development applications and their consistency with the Bikeways Master Plan, including bicycle parking facilities and off-site improvements where appropriate, such as roadway striping, signage and intersection improvements. | PW | H | Complete |

| Open Space and Conservation Element | | | | |
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| Actions | | | | |
| 2.1 | Work with the County and San Jose to develop a plan for a greenbelt along the expected edge of the urbanized area of the city within two years of adoption of this General Plan action. | CD | H GS | Completed through Urban Limit Line Study except for SE quadrant of Tennant Avenue east of 101; Area to be studied for industrial land market analysis |
| 2.2 | The Greenbelt Plan shall include a comprehensive planning effort to evaluate appropriate land uses in the rural County areas surrounding the city. The plan shall specifically evaluate the potential for an industrial park south east of the Tennant Avenue, Highway 101 interchange. | CD | H GS | Completed through Urban Limit Line Study, plus potential for industrial park in SE quadrant of Tennant Avenue east of 101 currently being evaluated |
| 2.3 | In conjunction with the Greenbelt Plan, investigate the need to modify the UGB and/or SOI to support establishment of a permanent greenbelt. | CD | H GS | Complete |
| 2.4 | Use a variety of tools to create a greenbelt, including public acquisition, land use regulation, urban development policy, and economic incentives to landowners, open space easements, transfer of development rights, planned cluster development, assessment districts, and dedication of additional lands upon development. | CD | H GS | Line/Green Belt Study Adopted April 2006 Green Belt Study Implementation ongoing |
| 2.8 | Work with Gilroy and Santa Clara County to establish and preserve a defined, permanent greenbelt between Morgan Hill and Gilroy, containing such land uses as low-density rural residential, agricultural activities, and recreation areas. (SCJAP 16.15) | CD | H GS | Urban Limit Line/Green Belt Study Adopted April 2006 Green Belt Study Implementation ongoing |

| Open Space and Conservation Element | | | | |
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| 2.9 | Work with San Jose and Santa Clara County to establish and preserve a defined, permanent greenbelt between Morgan Hill and San Jose in the southern Coyote Valley, comprised of agricultural uses, rural estates, and the Coyote Park chain. (SCJAP 16.13 & 16.14) | CD | H GS | Urban Limit Line/Green Belt Study Adopted April 2006 Green Belt Study Implementation ongoing Working with City of San Jose on South Coyote Valley Green Belt |
| 2.10 | Work with Gilroy and Santa Clara County to implement plans for the preservation of greenbelts between the cities. (SCJAP 16.22) | CD | H GS | Completed - Urban Limit Line Study |
| 5.1 | Develop Design Guidelines provisions for preserving, reclaiming and incorporating riparian features into development. | CD | H DRO | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 6.1 | Develop Design Guidelines provisions requiring construction activities to avoid disturbance to natural features to the extent feasible. | CD | H DRO | Underway - Zoning Ordinance & Design Review Ordinance Update |
| 7.2 | In cooperation with PG&E, subject all municipal buildings to an energy audit and perform practicable energy conservation alterations on municipal buildings. Such alterations can include modifying automatic heating and cooling systems, lighting, installation of natural ventilation methods and solar hot water systems, etc. | CM | H | Complete |
| 7.5 | Emphasize energy conservation building techniques for new residential construction through the implementation of Chapter 18.78 of the Municipal Code. | CD | H | Ongoing |

| <u>Public Health and Safety Element</u> | | | | |
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| Actions | | | | |
| 7.4 | Amend the Zoning Ordinance to reflect noise limits intended to protect noise sensitive land uses from intrusion by stationary noise sources. | CD CA | H ZO | Underway - Zoning Ordinance & Design Review Ordinance Update |

| <u>Regional Coordination Element</u> | | | | |
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| Actions | | | | |
| 5.1 | Provide the South County Joint Planning Advisory Committee with a list of concerns regarding South County Joint Area Plan policies that should be updated. | CD | H | Complete (no action taken by Committee) |

Priorities

- H (High Priority), FY 2004-2005

Other Abbreviations

- *DP* Downtown Plan Update
- *DRO* Design Review Ordinance Update
- *GS* Greenbelt Study
- *HE* Housing Element Update
- *ZO* Zoning Ordinance Update